ABSTRACT OF THE DISCLOSURE

The present invention is a system, apparatus and method for voice over Internet protocol telephone (VoIP) calling using enhanced SS7 signaling packets and may include localized time slot interchanging. A system embodiment of the invention includes originating and terminating VoIP gateway switches in communication with the public switched telephone network (PSTN) and also in communication with an IPbased packet network, such as the Internet, for transmitting packets. The VoIP gateway switches are configured to exchange enhanced SS7 signaling packets over the IP-based packet network for setting up and tearing down VoIP telephone calls. A method of placing a VoIP telephone call in accordance with the present invention includes initiating a telephone call to a destination and connecting the telephone call to an originating VoIP gateway switch using enhanced SS7 signaling packets. The method also includes determining a preferred route from the originating VoIP gateway switch to the destination through an IP-based packet network and through a terminating VoIP gateway switch nearest said destination, and setting up two-way communication through the preferred route using the IP-based packet network using enhanced SS7 signaling packets.

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